RESOLUTION NO. 2016-30

A RESOLUTION OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AMENDING RESOLUTION NO. 2013-42 WHICH AUTHORIZED THE VILLAGE'S $6,575,000 STORMWATER UTILITY REFUNDING AND IMPROVEMENT REVENUE BONDS, SERIES 2013, IN ORDER TO LOWER THE INTEREST RATE ON SUCH BONDS; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE BONDS; AUTHORIZING THE MAYOR, THE VILLAGE MANAGER AND OTHER VILLAGE OFFICIALS TO EXECUTE ANY AND ALL DOCUMENTS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on December 3, 2013, the Village Council adopted Ordinance No. 2013-9 (the "Ordinance") and Resolution No. 2013-42 (the "Bond Resolution" and, collectively with the Ordinance, the "Bond Ordinance") authorizing the issuance of $6,575,000 Village of Key Biscayne, Florida Stormwater Utility Refunding and Improvement Revenue Bonds, Series 2013 (the "Bonds") for the purpose of refunding the Village's $4,450,000 Stormwater Utility Revenue Refunding Bonds, Series 2011, financing the 2013 Project (as defined in the Bond Resolution) and paying costs of issuance of the Bonds; and

WHEREAS, on January 7, 2014, the Village issued the Bonds and the Bonds and the Bonds were purchased by Pinnacle Public Finance, Inc. (the "Purchaser"); and

WHEREAS, the Bonds bear interest at the fixed rate of 3.35%; and

WHEREAS, due to the current low interest rate environment, the Village's Financial Advisor, Estrada Hinojosa & Co., was able to negotiate with the Purchaser a lower rate of interest on the Bonds of 2.35%; and

WHEREAS, the Village Council hereby determines that it is in the best interest and welfare of the residents of the Village to amend the Bond Resolution and the Bonds (such amended Bond is hereinafter referred to as the "New Bond", and the date of delivery of the New Bond is hereinafter referred to as the "New Bond Delivery Date"), in order to provide for the lower interest rate and revise the amortization schedule accordingly;

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE AS FOLLOWS:

Section 1. Findings. The foregoing "Whereas" clauses are hereby ratified and incorporated as the legislative intent of this Resolution.

<u>Section 2.</u> **<u>Amendment of the Bond Resolution.</u>** The Bond Resolution is hereby amended as follows:

(a) The first four paragraphs of Section 2(b) of the Bond Resolution are hereby amended to read as follows:

> "(b) <u>Interest Rate</u>. Subject to adjustment as provided below, the Bonds shall bear interest on the outstanding principal balance from their date of issuance payable semiannually on each April 1 and October 1 (the "Interest Payment Dates"), commencing April 1, 2014, at an interest rate equal to (1) 3.35% per annum through the day prior to the New Bond Delivery Date (the "First Interest Rate Period") and (2) 2.35% per annum beginning on the New Bond Delivery Date until the maturity date of the Bonds (the "Second Interest Rate Period").
>
> Interest on the Bonds shall be computed on the basis of a 360-day year consisting of twelve 30-day months.
>
> (i) <u>Adjustment of Interest Rate For Full Taxability</u>. In the event a Determination of Taxability shall have occurred (i) the rate of interest on the Bonds shall be increased to a rate per annum equal to 5.4472% per annum with respect to the interest payable during the First Interest Rate Period, and (ii) the rate of interest on the Bonds shall be increased to a rate per annum equal to 3.62% per annum with respect to the interest payable during the Second Interest Rate Period (as applicable, the "Taxable Rate"), effective retroactively to the date on which the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof. In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the Village on the next succeeding Interest Payment Date following the Determination of Taxability. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which notice or notification is not contested with the Internal Revenue Service by either the Village or any Owners of the Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the Village to the effect that interest on Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, or (iv) receipt by the Village of an opinion of bond counsel to the Village to the effect that interest on the Bonds is includable for federal income tax purpose in the gross income of the Owners thereof.

(ii) Adjustment of Interest Rate for Change in Maximum Corporate Tax Rate. In the event that the maximum effective federal corporate tax rate under Section 11(b) of the Internal Revenue Code of 1986, as amended (the "Code"), without adjustment based on the paragraph following Section 11(b)(1)(D) of the Code (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Bonds on a tax-exempt basis, shall be other than thirty-five percent (35%), the interest rate on the Bonds that are bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Bonds by a fraction equal to (1-A divided by 1-B), where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and B equals the Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment; *provided, however,* that in no event shall the interest rate on the Bonds be adjusted to an interest rate that is less than (i) 3.35% per annum with respect to the interest payable during the First Interest Rate Period and (ii) 2.35% per annum with respect to the interest payable during the Second Interest Rate Period."

(b) Section 2(c)(i) of the Bond Resolution is hereby amended to read as follows:

"(i) Mandatory Prepayment. The principal of the Bonds shall be subject to mandatory prepayment in annual installments on each October 1, commencing October 1, 2014 in the amounts set forth below:

Year	Principal Installment Due*
2014	$310,000.00
2015	300,000.00
2016	310,000.00
2017	348,645.75
2018	354,618.89
2019	362,952.44
2020	371,481.82
2021	380,211.64
2022	389,146.62
2023	398,291.56
2024	407,651.41
2025	417,231.22
2026	427,036.16
2027	437,071.51
2028	447,342.69
2029	457,855.24
2030**	468,614.84

*Payments may change slightly to reflect the final issuance date of the Bonds.
A revised principal amortization schedule will be attached to the final executed Bond.
**Final Maturity

In the event that there is more than one Owner of the Bonds, (A) the amount of each Bond to be redeemed shall be *pro rata* based on the respective aggregate principal amount of Bonds then held by each Owner as a percentage of the total aggregate principal amount of Bonds then outstanding, and (B) the Village shall give notice to each Owner of the Bonds at least three (3) days prior to the date of mandatory redemption of the amount of Bonds owned by such Owner to be redeemed."

(c) Exhibit "A" to the Resolution is hereby deleted in its entirety and replaced with the new Exhibit "A" attached to this Resolution.

Section 3. **Authorization to Execute Documents.** The Village Council hereby authorizes the Village Manager or Finance Director to deliver the New Bond to the Purchaser upon receipt from the Purchaser of the original Bond for cancellation, in substantially the form attached hereto as Exhibit "A". The New Bond shall be signed in the name of the Village by the Mayor or Vice Mayor (or, in their absence, any other member of the Village Council), with such changes, modifications, deletions and insertions as the person signing such New Bond, with the advice of the Village Attorney and Bond Counsel, may deem necessary and appropriate. Such execution and delivery shall be conclusive evidence of the approval thereof by the Village. The Village Clerk is hereby authorized to attest such signature. The Mayor, the Vice Mayor, any member of the Council, the Village Manager, the Village Clerk, the Finance Director and any other proper official of the Village, are and each of them is hereby authorized and directed to execute and deliver such other documents as are necessary to accomplish the foregoing and to effectuate the intent and purpose of this Resolution.

Section 4. **Ratification,** All terms and provisions of the Bond Resolution not specifically amended by this Resolution are hereby ratified and shall remain in full force and effect.

Section 5. **Severability.** If any section, clause, sentence, or phrase of this Resolution is for any reason held invalid or unconstitutional by a court of competent jurisdiction, the holding shall not affect the validity of the remaining portions of this Resolution.

Section 6. **Effective Date.** This Resolution shall take effect immediately upon adoption.

[remainder of page intentionally left blank]

PASSED AND ADOPTED this 4th day of October, 2016.

MAYOR

ATTEST:

CONCHITA H. ALVAREZ, MMC
VILLAGE CLERK

VILLAGE OF KEY BISCAYNE
ISLAND PARADISE
1991
FLORIDA

APPROVED AS TO LEGAL FORM AND SUFFICIENCY:

VILLAGE ATTORNEY

EXHIBIT "A"

No. R-2 **$6,575,000**

UNITED STATES OF AMERICA
STATE OF FLORIDA
VILLAGE OF KEY BISCAYNE
STORMWATER UTILITY REFUNDING AND IMPROVEMENT
REVENUE BONDS
SERIES 2013

Registered Owner: Pinnacle Public Finance, Inc.

Principal Amount: Six Million Five Hundred Seventy-Five Thousand Dollars ($6,575,000)

KNOW ALL MEN BY THESE PRESENTS, that the Village of Key Biscayne, Florida (the "Village"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns (the "Owner"), from the sources hereinafter mentioned, the Principal Amount specified above. Subject to the rights of prior prepayment and redemption described in this Bond, the Bonds shall mature on October 1, 2030. Payments due hereunder shall be made no later than 2:00 p.m., Eastern time, on the date due, free and clear of any defenses, set-offs, counterclaims, or withholding or deductions for taxes.

This Bond is issued under authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Part II of Chapter 166, Florida Statutes, as amended, the Charter of the Village, Ordinance No. 2013-9 duly adopted by the Village Council (the "Council") of the Village on December 3, 2013 (the "Ordinance"), and Resolution No. 2013-42 adopted on December 3, 2013, as amended by Resolution No. 2016-__ adopted on October 4, 2016 (collectively, the "Resolution," and collectively with the Ordinance, the "Bond Ordinance"), and is subject to the terms of said Bond Ordinance. This Bond is issued for the purpose of refunding the Village's $4,450,000 Stormwater Utility Revenue Refunding Bonds, Series 2011, financing improvements and replacements of drainage wells and outfalls for the Village's Stormwater Utility System and paying costs of issuance of the Bonds. This Bond shall be payable only from the sources identified herein.

Subject to adjustment as provided below, this Bond shall bear interest on the outstanding principal balance from its date of issuance payable semiannually on each April 1 and October 1 (the "Interest Payment Dates"), commencing April 1, 2014, at an interest rate equal to (i) 3.35% per annum through October __, 2016 (the "First Interest Rate Period") and (ii) 2.35% beginning October __, 2016 until the maturity date of this Bond (the "Second Interest Rate Period").

Interest on this Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The principal of and interest on this Bond are payable in lawful money of the United States of America by wire transfer or by certified check, in either case in immediately available funds, delivered on or prior to the date due to the Owner or its legal representative at the address of the Owner as it appears on the registration books of the Village.

Adjustment of Interest Rate For Full Taxability. In the event a Determination of Taxability shall have occurred (i) the rate of interest on this Bond shall be increased to a rate per annum equal to 5.4472% per annum with respect to the interest payable during the First Interest Rate Period, and (ii) the rate of interest on this Bond shall be increased to a rate per annum equal to 3.62% per annum with respect to the interest payable during the Second Interest Rate Period (as applicable, the "Taxable Rate"), effective retroactively to the date on which the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof. In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the Village on the next succeeding Interest Payment Date following the Determination of Taxability. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which notice or notification is not contested with the Internal Revenue Service by either the Village or any Owners of the Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the Village to the effect that interest on Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, or (iv) receipt by the Village of an opinion of bond counsel to the Village to the effect that interest on the Bonds is includable for federal income tax purpose in the gross income of the Owners thereof.

Adjustment of Interest Rate for Change in Maximum Corporate Tax Rate. In the event that the maximum effective federal corporate tax rate under Section 11(b) of the Internal Revenue Code of 1986, as amended, without adjustment based on the paragraph following Section 11(b)(1)(D) of such Code (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Bonds on a tax-exempt basis, shall be other than thirty-five percent (35%), the interest rate on the Bonds that are bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Bonds by a fraction equal to (1-A divided by 1-B), where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and B equals the Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment; *provided, however,* that in no event shall the interest rate on the Bonds be adjusted to an interest rate that is less than (i) 3.35% per annum with respect to the interest payable during the First Interest Rate Period and (ii) 2.35% per annum with respect to the interest payable during the Second Interest Rate Period.

Adjustment of Interest Rate for Other Changes Affecting After-Tax Yield. So long as any portion of the principal amount of the Bonds or interest thereon remains unpaid (a) if any law, rule, regulation or executive order is enacted or promulgated by any public body or governmental agency which changes the basis of taxation of interest on the Bonds or causes a reduction in yield on the Bonds (other than by reason of a change described above) to the Owners or any former Owners of the Bonds, including without limitation the imposition of any excise tax or surcharge thereon, or (b) if, as a result of action by any public body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, the Owners or any former Owners of the Bonds (other than by reason of a change described above or by reason of any action or failure to act on the part of any Owner or any former Owner of the Bonds) by reason of the ownership of the Bonds, the Village shall reimburse any such Owner within five (5) days after receipt by the Village of written demand for such payment, and the Village agrees to indemnify each such Owner against any loss, cost, charge or expense with respect to any such change, action or failure to qualify. The determination of the after-tax yield calculation shall be verified by a firm of certified public accountants regularly employed by the Owner and acceptable to the Village, and such calculation, in the absence of manifest error, shall be binding on the Village and the Owners.

Mandatory Prepayment. The principal of this Bond shall be subject to mandatory prepayment in annual installments on each October 1, commencing October 1, 2014 in the amounts set forth below:

Year	Principal Installment Due*
2014	$310,000.00
2015	300,000.00
2016	310,000.00
2017	348,645.75
2018	354,618.89
2019	362,952.44
2020	371,481.82
2021	380,211.64
2022	389,146.62
2023	398,291.56
2024	407,651.41
2025	417,231.22
2026	427,036.16
2027	437,071.51
2028	447,342.69
2029	457,855.24
2030**	468,614.84

*Payments may change slightly to reflect the final issuance date of the Bonds.
A revised principal amortization schedule will be attached to the final executed Bond.
**Final Maturity

In the event that there is more than one Owner of the Bonds, (i) the amount of each Bond to be redeemed shall be *pro rata* based on the respective aggregate principal amount of Bonds then held by each Owner as a percentage of the total aggregate principal amount of Bonds then outstanding, and (ii) the Village shall give notice to each Owner of the Bonds at least three (3) days prior to the date of mandatory redemption of the amount of Bonds owned by such Owner to be redeemed.

This Bond is subject to optional prepayment upon seven (7) days written notice to the Owner, (a) in whole at any time, at a price of par plus accrued interest to the date of prepayment and (b) in part on each October 1, in a principal amount not less than $150,000, at a price of par plus accrued interest to the date of prepayment plus a fee of $500.

This Bond is secured primarily by a pledge of the Stormwater Utility Fees as defined by Section 403.0893(3), Florida Statutes and imposed pursuant to Ordinance No. 93-11 adopted by the Council on June 22, 1993 (as amended by Ordinance No. 93-11-A).

To the extent the Stormwater Utility Fees are insufficient to pay principal of and interest on the Bonds when due, the Village has covenanted and agreed in the Bond Ordinance to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues (as defined below) lawfully available in each fiscal year, amounts sufficient to pay the principal and interest due on the Bonds in accordance with their terms during such fiscal year. "Non-Ad Valorem Revenues" means all revenues of the Village derived from any source other than ad valorem taxation on real or personal property and which are legally available to make the payments required under the Bond Ordinance, but only after provision has been made by the Village for the payment of all essential or legally mandated services not otherwise provided for by ad valorem taxes. Such covenant and agreement on the part of the Village to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the Village, the Village does not covenant to maintain any services or programs, now provided or maintained by the Village, which generate non-ad valorem revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the Village from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Village to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Bondholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Village. Such covenant to appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Non-Ad Valorem Revenues and placing on the Village a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations under the Bond Ordinance, subject, however, in all respects to the terms of the Bond Ordinance and the restrictions of Section 166.241(3), Florida Statutes, which provides, in part, that the governing body of each municipality make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Village or which are legally mandated by applicable law.

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE VILLAGE OR A PLEDGE OF THE FAITH AND CREDIT OF THE VILLAGE, BUT SHALL BE PAYABLE EXCLUSIVELY FROM THE STORMWATER UTILITY FEES AND FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE VILLAGE. THE ISSUANCE OF THIS BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE VILLAGE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR NOR SHALL THIS BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE VILLAGE, AND THE HOLDER OF THIS BOND SHALL HAVE NO RECOURSE TO THE POWER OF TAXATION.

The original registered Owner, and each successive registered Owner of this Bond shall be conclusively deemed to have agreed and consented to the following terms and conditions:

1. The Village shall keep books for the registration of Bonds and for the registration of transfers of Bonds as provided in the Resolution. Bonds may be transferred or exchanged upon the registration books kept by the Village, upon delivery to the Village, together with written instructions as to the details of the transfer or exchange, of such Bonds in form satisfactory to the Village and with guaranty of signatures satisfactory to the Village, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. The Bonds may be exchanged for Bonds of the same principal amount and maturity and denominations in integral multiples of $100,000 (except that an odd lot is permitted to complete the outstanding principal balance). No transfer or exchange of any Bond shall be effective until entered on the registration books maintained by the Village.

2. The Village may deem and treat the person in whose name any Bond shall be registered upon the books of the Village as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as they become due, and for all other purposes. All such payments so made to any such Owner or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3. In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Village shall execute and deliver Bonds in accordance with the

provisions of the Resolution. There shall be no charge for any such exchange or transfer of Bonds, but the Village may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The Village shall not be required to transfer or exchange Bonds for a period of fifteen (15) days next preceding an interest payment date on such Bonds.

4. All Bonds, the principal of and interest on which have been paid, either at or prior to maturity, shall be delivered to the Village when such full payment is made, and shall thereupon be cancelled. In case a portion but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond, but the Village shall make a notation indicating the remaining outstanding principal of the Bonds upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist and to be performed precedent to and for the issuance of this Bond have happened, do exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto.

IN WITNESS WHEREOF, the Village of Key Biscayne, Florida has caused this Bond to be executed by the manual or facsimile signature of its Mayor and of its Village Clerk, and the Seal of the Village of Key Biscayne, Florida or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon, all as of the 4th day of October, 2016

VILLAGE OF KEY BISCAYNE, FLORIDA

Mayor

(SEAL)

Village Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned ____________________________ (the "Transferor"), hereby sells, assigns and transfers unto ____________________________ (Please insert name and Social Security or Federal Employer identification number of assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____________________________ (the "Transferee") as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date ____________________ ____

Social Security Number of Assignee

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or
a commercial bank or a trust company

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common	UNIF GIF MIN ACT - ______________________, (Cust.)
		Custodian for ____________________________, (Minor)
TEN ENT -	as tenants by the entirety	under Uniform Gifts to Minors Act of ______________________________. (State)
JT TEN -	as joint tenants with right of survivorship and not as tenants in common	

Additional abbreviations may also be used though not in the list above.

TAX CERTIFICATE

The undersigned is the Mayor of the Village of Key Biscayne, Florida (the "Village"), hereby certifies the following with respect to the amendment and reissuance of the $6,575,000 Village of Key Biscayne, Florida, Stormwater Utility Refunding and Improvement Revenue Bonds, Series 2013, dated January 7, 2014 (the "Prior Bonds"), and being amended and reissued this day (such amended and reissued Prior Bonds is hereinafter referred to as the "Bonds"). The undersigned is the official charged with others with responsibility for issuing the Bonds.

1. General

(a) The Prior Bonds were originally issued on January 7, 2014 pursuant to Ordinance No. 2013-9 adopted by the Village Council on December 3, 2013 (the "Ordinance") and Resolution No. 2013-42 adopted by the Village Council on December 3, 2013 (the "Bond Resolution" and, collectively with the Ordinance, the "Bond Ordinance") for the purpose of current refunding the Village's $4,450,000 Stormwater Utility Revenue Refunding Bonds, Series 2011, financing improvements and replacements of drainage wells and outfalls for its Stormwater Utility System (the "2013 Project") and paying costs of issuance of the Prior Bonds. The Prior Bonds are being amended on the date hereof pursuant to Resolution No. 2016-30 adopted by the Village Council on October 4, 2016 (the "Amendment Resolution"). Such amendments will cause the Prior Bonds to be treated as retired and reissued for federal tax purposes. The reissued Prior Bonds are hereinafter referred to as the "Bonds".

(b) In connection with the issuance of the Prior Bonds, the Village executed an Arbitrage Certificate, dated January 7, 2014 (the "Prior Tax Certificate"), a copy of which is attached hereto as Exhibit "A". Capitalized terms used herein but not otherwise specifically defined have the same meanings as when used in the Prior Tax Certificate.

(c) This certification is made, in part, under 26 CFR section 1.148-2(b)(2) relating to "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). Terms used herein which are not capitalized or specifically defined have the same meanings as when used in 26 CFR sections 1.148-1 - 1.148-11. The undersigned has investigated the facts, estimates, and circumstances in existence on the date hereof. Such facts estimates, and circumstances, together with the expectations of the Village as to future events, are set forth in summary form in this certificate. On the basis of such facts, estimates, and circumstances, it is not expected that the proceeds of the Bonds will be used in any manner that would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and regulations. To the best of my knowledge and belief, such expectations are reasonable and there are no facts, estimates, or circumstances that would materially change them.

2. Source and Use of Proceeds

(a) The new Bonds will include an additional amount of principal of $23,151.79, which will be used on the date hereof (i) to pay interest accruing on the Prior Bonds, in the amount of $3,151.79, from October 1, 2016 (the date of the last payment of principal and interest on the Prior Bonds) through and including October 6, 2016 and (ii) cost of issuance of the Bonds in the amount of $20,000.00. On the date hereof, the Prior Bonds, presently outstanding in the amount of $5,645,000.00, will be exchanged for new Bonds in the principal amount of $5,668,151.79.

(b) The Village reasonably expects that the 2013 Project will continue throughout the term of the Bonds to be owned and operated by the Village.

3. <u>Flow of Funds.</u>

(a) The Village is required under the Bond Ordinance on each Interest Payment Date to deposit Stormwater Utility Fees into the Bond Fund, which, together with other moneys therein, are sufficient to pay the principal of and interest on the Bonds on such Interest Payment Date.

(b) The Bond Fund has been established to achieve a proper matching of revenues and debt service within each bond year and will be depleted at least once each year (except for a reasonable carryover amount that will not exceed the greater of one year's earnings on the Bond Fund and 1/12 of annual debt service on the Bonds). All amounts in the Bond Fund will be expended to pay debt service on the Bonds within 13 months of the date of receipt thereof (12 months if the amounts are interest or income from the investment of such amounts). Amounts in the Bond Fund will be invested without yield restrictions. Interest earnings and gains resulting from investment of the Bond Fund will be retained therein and used to pay debt service on the Bonds.

(c) The Rebate Fund is not pledged to pay debt service on the Bonds and will not be available if needed to pay such debt service.

4. <u>Yield Restrictions</u>

(a) There is currently $2,000,483 of proceeds of the Prior Bonds remaining in the Project Fund that have not been spent on the 2013 Project. On the date of execution of the Prior Tax Certificate, the Village reasonably expected that at least 85 percent of the proceeds of the Prior Bonds deposited in the Project Fund would be applied to pay costs of the 2013 Project within three years of the date thereof (January 7, 2017). As a result of unexpected construction delays, the Village currently expects that all of the proceeds of the Prior Bonds deposited in the Project Fund will be applied to pay costs of the 2013 Project no later than September 30, 2017. Any investment of moneys on deposit in the Project Fund after January 7, 2017 will be invested a yield that not does not exceed the yield on the Bonds specified in paragraph (g) below.

(b) The restrictions set forth in this Section 4 apply to taxable investments. For this purpose, taxable investments include all investments other than obligations the interest on which is (i) excluded from gross income for federal income tax purposes; and (ii) not an item of tax preference for federal alternative minimum tax purposes.

(c) Proceeds of the Prior Bonds remaining in the Project Fund and interest or income derived from the investment thereof will not be invested in taxable investments that produce a yield over the term of the Bonds that is materially higher than the yield on the Bonds (within the meaning of 26 CFR section 1.1482(d)(2)) except as follows:

(i) Such amounts may be invested without regard to yield until the date that is 3 years after the date hereof;

(ii) Such amounts that represent investment earnings may be invested without regard to yield for a 1-year period beginning on the date of receipt thereof; and

(iii) An additional amount not in excess of $100,000 may be invested without regard to yield.

(d) There are no funds or accounts in existence or that are expected to be established in addition to the funds referred to herein that are reasonably expected to be used (directly or indirectly) or that will be pledged (directly or indirectly) to pay debt service on the Bonds. There are not any amounts that have been reserved or otherwise set aside such that there is a reasonable assurance that such amounts will be available to pay principal or interest on the Bonds. In addition, the Village has not entered into, and does not reasonably expect to enter into within the next thirty days, a hedge contract primarily for the purpose of reducing the Village's risk of interest rate changes with respect to the Bonds. If any such fund or account is established after the date hereof, amounts in the fund or account will not be invested at a yield higher than the yield on the Bonds to the extent necessary to preserve the federal income tax exemption of interest on the Bonds.

(e) There are no amounts held under any agreement requiring the maintenance of amounts at a particular level for the direct or indirect benefit of the owners of the Bonds or any guarantor of the Bonds, excluding for this purpose amounts in which the Village may grant rights that are superior to the rights of the owners of the Bonds or any guarantor of the Bonds and amounts that do not exceed reasonable needs for which they are maintained and as to which the required level is tested no more frequently than every six (6) months and that may be spent without any substantial restriction other than a requirement to replenish the amount by the next testing date.

(f) There are no amounts that have a sufficiently direct nexus to the Bonds to conclude that the amounts would have been used for debt service on the Bonds if the proceeds of the Bonds were not being used for those purposes.

(g) The yield on the Bonds for purposes of this Section is 2.3500%, computed on the basis of a 30 day month and 360 day year and with interest compounded semiannually. For purposes of computing the yield, the issue price of the Bonds is $5,668,151.79 (the principal amount thereof).

5. Arbitrage Rebate. The Bonds will continue to be subject to the arbitrage rebate requirements of Section 148 of the Code as set forth in the Prior Tax Certificate, and the Village hereby agrees to comply with such requirements as set forth therein.

6. Miscellaneous

(a) There are no other obligations of the Village: (i) that are or will be sold within 15 days of the date hereof; and (ii) that are to be paid out of substantially the same source of funds (or that will have substantially the same claim to be paid out of substantially the same source of funds) as will be used to pay the Bonds.

(b) The Village covenants that it will not make any investment or use of the proceeds of the Bonds that would cause the Bonds to be "arbitrage bonds" within the meaning of section 148 of the Code. No portion of the proceeds of the Bonds will be intentionally used in the manner described in section 148(a)(1) or (a)(2) of the Code.

(c) Except as otherwise specifically stated herein, there have been no changes in the factual matters described in the Prior Tax Certificate. Except as otherwise specifically changed herein, all of the covenants, representations and warranties contained in the Prior Tax Certificate will continue to apply to the Bonds, and except for any such changes made herein, the Village hereby reaffirms all of the covenants, representations and warranties contained in the Prior Tax Certificate.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this 7th day of October, 2016.

VILLAGE OF KEY BISCAYNE, FLORIDA

By: ______________________
Mayra P. Lindsay, Mayor

[Signature Page to Tax Certificate]

EXHIBIT "A"

COPY OF PRIOR TAX CERTIFICATE

No. R-2 $6,575,000

UNITED STATES OF AMERICA
STATE OF FLORIDA
VILLAGE OF KEY BISCAYNE
STORMWATER UTILITY REFUNDING AND IMPROVEMENT
REVENUE BONDS
SERIES 2013

Registered Owner: Pinnacle Public Finance, Inc.

Principal Amount: Six Million Five Hundred Seventy-Five Thousand Dollars ($6,575,000)

KNOW ALL MEN BY THESE PRESENTS, that the Village of Key Biscayne, Florida (the "Village"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns (the "Owner"), from the sources hereinafter mentioned, the Principal Amount specified above. Subject to the rights of prior prepayment and redemption described in this Bond, the Bonds shall mature on October 1, 2030. Payments due hereunder shall be made no later than 2:00 p.m., Eastern time, on the date due, free and clear of any defenses, set-offs, counterclaims, or withholding or deductions for taxes.

This Bond is issued under authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Part II of Chapter 166, Florida Statutes, as amended, the Charter of the Village, Ordinance No. 2013-9 duly adopted by the Village Council (the "Council") of the Village on December 3, 2013 (the "Ordinance"), and Resolution No. 2013-42 adopted on December 3, 2013, as amended by Resolution No. 2016-30 adopted on October 4, 2016 (collectively, the "Resolution," and collectively with the Ordinance, the "Bond Ordinance"), and is subject to the terms of said Bond Ordinance. This Bond is issued for the purpose of refunding the Village's $4,450,000 Stormwater Utility Revenue Refunding Bonds, Series 2011, financing improvements and replacements of drainage wells and outfalls for the Village's Stormwater Utility System and paying costs of issuance of the Bonds. This Bond shall be payable only from the sources identified herein.

Subject to adjustment as provided below, this Bond shall bear interest on the outstanding principal balance from its date of issuance payable semiannually on each April 1 and October 1 (the "Interest Payment Dates"), commencing April 1, 2014, at an interest rate equal to (i) 3.35% per annum through October 6, 2016 (the "First Interest Rate Period") and (ii) 2.35% beginning October 7, 2016 until the maturity date of this Bond (the "Second Interest Rate Period").

Interest on this Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months.

The principal of and interest on this Bond are payable in lawful money of the United States of America by wire transfer or by certified check, in either case in immediately available funds, delivered on or prior to the date due to the Owner or its legal representative at the address of the Owner as it appears on the registration books of the Village.

Adjustment of Interest Rate For Full Taxability. In the event a Determination of Taxability shall have occurred (i) the rate of interest on this Bond shall be increased to a rate per annum equal to 5.4472% per annum with respect to the interest payable during the First Interest Rate Period, and (ii) the rate of interest on this Bond shall be increased to a rate per annum equal to 3.62% per annum with respect to the interest payable during the Second Interest Rate Period (as applicable, the "Taxable Rate"), effective retroactively to the date on which the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof. In addition, the Owners of the Bonds or any former Owners of the Bonds, as appropriate, shall be paid an amount equal to any additions to tax, interest and penalties, and any arrears in interest that are required to be paid to the United States by the Owners or former Owners of the Bonds as a result of such Determination of Taxability. All such additional interest, additions to tax, penalties and interest shall be paid by the Village on the next succeeding Interest Payment Date following the Determination of Taxability. A "Determination of Taxability" shall mean (i) the issuance by the Internal Revenue Service of a statutory notice of deficiency or other written notification which holds in effect that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which notice or notification is not contested with the Internal Revenue Service by either the Village or any Owners of the Bonds, or (ii) a determination by a court of competent jurisdiction that the interest payable on the Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, which determination either is final and non-appealable or is not appealed within the requisite time period for appeal, or (iii) the admission in writing by the Village to the effect that interest on Bonds is includable for federal income tax purposes in the gross income of the Owners thereof, or (iv) receipt by the Village of an opinion of bond counsel to the Village to the effect that interest on the Bonds is includable for federal income tax purpose in the gross income of the Owners thereof.

Adjustment of Interest Rate for Change in Maximum Corporate Tax Rate. In the event that the maximum effective federal corporate tax rate under Section 11(b) of the Internal Revenue Code of 1986, as amended, without adjustment based on the paragraph following Section 11(b)(1)(D) of such Code (the "Maximum Corporate Tax Rate") during any period with respect to which interest shall be accruing on the Bonds on a tax-exempt basis, shall be other than thirty-five percent (35%), the interest rate on the Bonds that are bearing interest on a tax-exempt basis shall be adjusted to the product obtained by multiplying the interest rate then in effect on the Bonds by a fraction equal to (1-A divided by 1-B), where A equals the Maximum Corporate Tax Rate in effect as of the date of adjustment and B equals the Maximum Corporate Tax Rate in effect immediately prior to the date of adjustment; *provided, however,* that in no event shall the interest rate on the Bonds be adjusted to an interest rate that is less than (i) 3.35% per annum with respect to the interest payable during the First Interest Rate Period and (ii) 2.35% per annum with respect to the interest payable during the Second Interest Rate Period.

Adjustment of Interest Rate for Other Changes Affecting After-Tax Yield. So long as any portion of the principal amount of the Bonds or interest thereon remains unpaid (a) if any law, rule, regulation or executive order is enacted or promulgated by any public body or governmental agency which changes the basis of taxation of interest on the Bonds or causes a reduction in yield on the Bonds (other than by reason of a change described above) to the

Owners or any former Owners of the Bonds, including without limitation the imposition of any excise tax or surcharge thereon, or (b) if, as a result of action by any public body or governmental agency, any payment is required to be made by, or any federal, state or local income tax deduction is denied to, the Owners or any former Owners of the Bonds (other than by reason of a change described above or by reason of any action or failure to act on the part of any Owner or any former Owner of the Bonds) by reason of the ownership of the Bonds, the Village shall reimburse any such Owner within five (5) days after receipt by the Village of written demand for such payment, and the Village agrees to indemnify each such Owner against any loss, cost, charge or expense with respect to any such change, action or failure to qualify. The determination of the after-tax yield calculation shall be verified by a firm of certified public accountants regularly employed by the Owner and acceptable to the Village, and such calculation, in the absence of manifest error, shall be binding on the Village and the Owners.

Mandatory Prepayment. The principal of this Bond shall be subject to mandatory prepayment in annual installments on each October 1, commencing October 1, 2014 in the amounts set forth below:

Year	Principal Installment Due
2014	$310,000.00
2015	300,000.00
2016	310,000.00
2017	348,645.75
2018	354,618.89
2019	362,952.44
2020	371,481.82
2021	380,211.64
2022	389,146.62
2023	398,291.56
2024	407,651.41
2025	417,231.22
2026	427,036.16
2027	437,071.51
2028	447,342.69
2029	457,855.24
2030*	468,614.84

*Final Maturity

In the event that there is more than one Owner of the Bonds, (i) the amount of each Bond to be redeemed shall be *pro rata* based on the respective aggregate principal amount of Bonds then held by each Owner as a percentage of the total aggregate principal amount of Bonds then outstanding, and (ii) the Village shall give notice to each Owner of the Bonds at least three (3) days prior to the date of mandatory redemption of the amount of Bonds owned by such Owner to be redeemed.

This Bond is subject to optional prepayment upon seven (7) days written notice to the Owner, (a) in whole at any time, at a price of par plus accrued interest to the date of prepayment and (b) in part on each October 1, in a principal amount not less than $150,000, at a price of par plus accrued interest to the date of prepayment plus a fee of $500.

This Bond is secured primarily by a pledge of the Stormwater Utility Fees as defined by Section 403.0893(3), Florida Statutes and imposed pursuant to Ordinance No. 93-11 adopted by the Council on June 22, 1993 (as amended by Ordinance No. 93-11-A).

To the extent the Stormwater Utility Fees are insufficient to pay principal of and interest on the Bonds when due, the Village has covenanted and agreed in the Bond Ordinance to appropriate in its annual budget, by amendment, if necessary, from Non-Ad Valorem Revenues (as defined below) lawfully available in each fiscal year, amounts sufficient to pay the principal and interest due on the Bonds in accordance with their terms during such fiscal year. "Non-Ad Valorem Revenues" means all revenues of the Village derived from any source other than ad valorem taxation on real or personal property and which are legally available to make the payments required under the Bond Ordinance, but only after provision has been made by the Village for the payment of all essential or legally mandated services not otherwise provided for by ad valorem taxes. Such covenant and agreement on the part of the Village to budget and appropriate such amounts of Non-Ad Valorem Revenues shall be cumulative to the extent not paid, and shall continue until such Non-Ad Valorem Revenues or other legally available funds in amounts sufficient to make all such required payments shall have been budgeted, appropriated and actually paid. Notwithstanding the foregoing covenant of the Village, the Village does not covenant to maintain any services or programs, now provided or maintained by the Village, which generate non-ad valorem revenues.

Such covenant to budget and appropriate does not create any lien upon or pledge of such Non-Ad Valorem Revenues, nor does it preclude the Village from pledging in the future its Non-Ad Valorem Revenues, nor does it require the Village to levy and collect any particular Non-Ad Valorem Revenues, nor does it give the Bondholders a prior claim on the Non-Ad Valorem Revenues as opposed to claims of general creditors of the Village. Such covenant to appropriate Non-Ad Valorem Revenues is subject in all respects to the payment of obligations secured by a pledge of such Non-Ad Valorem Revenues heretofore or hereinafter entered into (including the payment of debt service on bonds and other debt instruments). However, the covenant to budget and appropriate in its general annual budget for the purposes and in the manner stated herein shall have the effect of making available in the manner described herein Non-Ad Valorem Revenues and placing on the Village a positive duty to appropriate and budget, by amendment, if necessary, amounts sufficient to meet its obligations under the Bond Ordinance, subject, however, in all respects to the terms of the Bond Ordinance and the restrictions of Section 166.241(3), Florida Statutes, which provides, in part, that the governing body of each municipality make appropriations for each fiscal year which, in any one year, shall not exceed the amount to be received from taxation or other revenue sources; and subject, further, to the payment of services and programs which are for essential public purposes affecting the health, welfare and safety of the inhabitants of the Village or which are legally mandated by applicable law.

THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OF THE VILLAGE OR A PLEDGE OF THE FAITH AND CREDIT OF THE VILLAGE, BUT SHALL BE PAYABLE EXCLUSIVELY FROM THE STORMWATER UTILITY FEES AND FROM LEGALLY AVAILABLE NON-AD VALOREM REVENUES OF THE VILLAGE. THE ISSUANCE OF THIS BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE VILLAGE TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR NOR SHALL THIS BOND CONSTITUTE A CHARGE, LIEN, OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE VILLAGE, AND THE HOLDER OF THIS BOND SHALL HAVE NO RECOURSE TO THE POWER OF TAXATION.

The original registered Owner, and each successive registered Owner of this Bond shall be conclusively deemed to have agreed and consented to the following terms and conditions:

1. The Village shall keep books for the registration of Bonds and for the registration of transfers of Bonds as provided in the Resolution. Bonds may be transferred or exchanged upon the registration books kept by the Village, upon delivery to the Village, together with written instructions as to the details of the transfer or exchange, of such Bonds in form satisfactory to the Village and with guaranty of signatures satisfactory to the Village, along with the social security number or federal employer identification number of any transferee and, if the transferee is a trust, the name and social security or federal tax identification numbers of the settlor and beneficiaries of the trust, the date of the trust and the name of the trustee. The Bonds may be exchanged for Bonds of the same principal amount and maturity and denominations in integral multiples of $100,000 (except that an odd lot is permitted to complete the outstanding principal balance). No transfer or exchange of any Bond shall be effective until entered on the registration books maintained by the Village.

2. The Village may deem and treat the person in whose name any Bond shall be registered upon the books of the Village as the absolute Owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of and interest on such Bond as they become due, and for all other purposes. All such payments so made to any such Owner or upon its order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

3. In all cases in which the privilege of exchanging Bonds or transferring Bonds is exercised, the Village shall execute and deliver Bonds in accordance with the provisions of the Resolution. There shall be no charge for any such exchange or transfer of Bonds, but the Village may require payment of a sum sufficient to pay any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. The Village shall not be required to transfer or exchange Bonds for a period of fifteen (15) days next preceding an interest payment date on such Bonds.

4. All Bonds, the principal of and interest on which have been paid, either at or prior to maturity, shall be delivered to the Village when such full payment is made, and shall thereupon be cancelled. In case a portion but not all of an outstanding Bond shall be prepaid, such Bond shall not be surrendered in exchange for a new Bond, but the Village shall make a notation indicating the remaining outstanding principal of the Bonds upon the registration books. The Bond so redesignated shall have the remaining principal as provided on such registration books and shall be deemed to have been issued in the denomination of the outstanding principal balance, which shall be an authorized denomination.

It is hereby certified and recited that all acts, conditions and things required to happen, to exist and to be performed precedent to and for the issuance of this Bond have happened, do exist and have been performed in due time, form and manner as required by the Constitution and the laws of the State of Florida applicable thereto.

IN WITNESS WHEREOF, the Village of Key Biscayne, Florida has caused this Bond to be executed by the manual or facsimile signature of its Mayor and of its Village Clerk, and the Seal of the Village of Key Biscayne, Florida or a facsimile thereof to be affixed hereto or imprinted or reproduced hereon, all as of the 7th day of October, 2016.

VILLAGE OF KEY BISCAYNE, FLORIDA

Mayor

(SEAL)

FOR
Village Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned ______________________________ (the "Transferor"), hereby sells, assigns and transfers unto ______________________________ (Please insert name and Social Security or Federal Employer identification number of assignee) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints ____________________________ (the "Transferee") as attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Date ____________________ ____

Social Security Number of Assignee

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or
a commercial bank or a trust company

NOTICE: No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment corresponds with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -	as tenants in common	UNIF GIF MIN ACT - ________________________, (Cust.)
		Custodian for ______________________________, (Minor)
TEN ENT -	as tenants by the entirety	under Uniform Gifts to Minors Act of ________________________________. (State)
JT TEN -	as joint tenants with right of survivorship and not as tenants in common	

Additional abbreviations may also be used though not in the list above.

Form 8038-G (Rev. September 2011)

Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.
Caution: *If the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If **Amended Return**, check here ▶ ☐

1 Issuer's name: Village of Key Biscayne, Florida	2 Issuer's employer identification number (EIN): 65-0291811
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)	3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address): 88 West McIntrye Street — Room/suite: 201	5 Report number *(For IRS Use Only)*: 3
6 City, town, or post office, state, and ZIP code: Key Biscayne, Florida 33149	7 Date of issue: 10/07/2016
8 Name of issue: Stormwater Utility Refunding and Improvement Revenue Bonds, Series 2013	9 CUSIP number: N.A.
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions): John C. Gilbert, Village Manager	10b Telephone number of officer or other employee shown on 10a: (305) 365-5506

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11		
12	Health and hospital	12		
13	Transportation	13		
14	Public safety	14		
15	Environment (including sewage bonds)	15	5,668,151	79
16	Housing	16		
17	Utilities	17		
18	Other. Describe ▶	18		
19	If obligations are TANs or RANs, check only box 19a ▶ ☐			
	If obligations are BANs, check only box 19b ▶ ☐			
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐			

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	10/01/2030	$ 5,668,151.79	$ 5,668,151.79	7.875 years	2.3500 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest				22	0	
23	Issue price of entire issue (enter amount from line 21, column (b))				23	5,668,151	79
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	20,000				
25	Proceeds used for credit enhancement	25	0				
26	Proceeds allocated to reasonably required reserve or replacement fund	26	0				
27	Proceeds used to currently refund prior issues	27	5,648,151	79			
28	Proceeds used to advance refund prior issues	28	0				
29	Total (add lines 24 through 28)				29	5,668,151	79
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)				30	0	

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	8.038 years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ▶	10/07/2016
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	01/07/2014

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	N.A.
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	
b	Enter the final maturity date of the GIC ▶		
c	Enter the name of the GIC provider ▶		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool obligation ▶

c Enter the EIN of the issuer of the master pool obligation ▶

d Enter the name of the issuer of the master pool obligation ▶

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶

c Type of hedge ▶

d Term of hedge ▶

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☑

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☑

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶

b Enter the date the official intent was adopted ▶

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ Signature of issuer's authorized representative — Date

▶ Mayra P. Lindsay, Mayor — Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Jeffrey DeCarlo				P01491813
Firm's name ▶ Weiss Serota Helfman Cole & Bierman, P.L.			Firm's EIN ▶	20-8112403
Firm's address ▶ 2525 Ponce de Leon Blvd., Suite 700, Coral Gables, FL 33134			Phone no.	305-854-0800